

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF NEW YORK

In re:

THE DIOCESE OF ROCHESTER,

Debtor.

) Chapter 11 Case

) Case No. 19-20905

**JOINT NOTICE OF HEARING TO CONSIDER  
PROFESSIONAL FEE APPLICATIONS**

**PLEASE TAKE NOTICE**, that each of (i) Bond, Schoeneck & King, PLLC, counsel for The Diocese of Rochester, (the “Diocese”); (ii) Harris Beach, PLLC, special counsel for the Diocese; (iii) Blank Rome, LLP, special insurance counsel for the Diocese; (iv) Bonadio & Co., LLP, accountants for the Diocese; (v) Pachulski Stang Ziehl & Jones LLP, counsel for the Official Committee of Unsecured Creditors; (vi) Burns Bair LLP, special insurance counsel to the Official Committee of Unsecured Creditors; and (vii) Stout Risius Ross, LLC (f/k/a The Claro Group, LLC), valuation expert for the Official Committee of Unsecured Creditors, have filed applications (each, an “Application”) for interim allowance and payment of professional fees and expenses incurred in the above-captioned case. The amounts of fees and expenses requested by the foregoing professionals on an interim basis pursuant to the Applications are as follows:

<b>Applicant</b>	<b>Fees Requested</b>	<b>Expenses Requested</b>	<b>Total</b>	<b>Application Period</b>
Bond, Schoeneck & King, PLLC <i>Counsel for Diocese</i>	\$895,772.59	\$25,650.77	\$921,423.36	1/1/24 – 7/31/24
Harris Beach, PLLC <i>Special Counsel for Diocese</i>	\$45,456.50	\$13,580.17	\$59,036.67	1/1/24 – 7/31/24
Blank Rome, LLP <i>Special Insurance Counsel for Diocese</i>	\$46,276.99	\$3,817.43	\$50,094.42	1/1/24 – 7/31/24
Bonadio & Co., LLP <i>Accountants for Diocese</i>	\$53,500.00	\$0.00	\$53,500.00	2/1/24 – 6/30/24

Pachulski Stang Ziehl & Jones LLP <i>Counsel for Creditors' Committee</i>	\$1,238,050.00	\$51,523.68	\$1,289,573.68	1/1/24 – 7/31/24
Burns Bair LLP <i>Special Insurance Counsel for Creditors' Committee</i>	\$401,847.00	\$17,372.92	\$419,219.92	1/1/24 – 7/31/24
Stout Risius Ross, LLC (f/k/a The Claro Group, LLC) <i>Valuation Expert for Creditors' Committee</i>	\$338,269.50	\$1,560.55	\$339,830.05	1/1/24 – 7/31/24

**PLEASE TAKE FURTHER NOTICE**, that a hearing to consider the Applications will be held telephonically before the Honorable Paul R. Warren, United States Bankruptcy Judge for the Western District of New York on the **21<sup>st</sup> day of November, 2024 at 11:00 a.m.**, or as soon thereafter as counsel can be heard by (1) dialing (571) 353–2301; (2) when prompted for the number you wish to dial, dial 808325466#; and (3) when prompted for the security pin, enter 9999#.

**PLEASE TAKE FURTHER NOTICE**, that responses in opposition to the relief requested in the Applications, if any, must be filed with the United States Bankruptcy Court Clerk's Office in Rochester, New York and served upon (i) counsel for the Diocese, Bond, Schoeneck & King, PLLC, One Lincoln Center, Syracuse, New York 13202 (Attn: Stephen A. Donato and Charles J. Sullivan); (ii) the Office of the United States Trustee, Federal Office Building, 100 State Street, Rochester, New York 14614 (Attn: Kathleen D. Schmitt); (iii) counsel for the Official Committee of Unsecured Creditors, Pachulski Stang Ziehl & Jones, LLP, 780 Third Avenue, 34th Floor, New York, New York 10017 (Attn: Ilan D. Scharf) and (iv) the respective applicant(s) at the address(es) set forth on the attached schedule, **not less than 72 hours prior to the scheduled date and time of the hearing.**

Dated: October 24, 2024  
Syracuse, New York

BOND, SCHOENECK & KING, PLLC

By:           /s/ Stephen A. Donato            
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*Attorneys for The Diocese of Rochester*

## **SCHEDULE OF APPLICANTS**

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**Harris Beach, PLLC**

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Pittsford, NY 14534

**Blank Rome, LLP**

Attn: James Murray  
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Washington, DC 20006

**Bonadio & Co, LLP**

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Pittsford, NY 14534

**Pachulski Stang Ziehl & Jones LLP**

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**Burns Bair LLP**

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780 Third Avenue, 34<sup>th</sup> Floor  
New York, NY 10017

**Stout Risius Ross, LLC  
(f/k/a The Claro Group)**

Attn: Katie McNally  
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Chicago, IL 60606

UNITED STATES BANKRUPTCY COURT  
WESTERN DISTRICT OF NEW YORK

In re:

THE DIOCESE OF ROCHESTER,

Debtor.

Chapter 11 Case

Case No. 19-20905

**SIXTH APPLICATION FOR COMPENSATION OF  
BONADIO & CO. LLP AS ACCOUNTANTS FOR THE DIOCESE**

TO: THE HONORABLE PAUL R. WARREN  
UNITED STATES BANKRUPTCY JUDGE:

Bonadio & Co. LLP (hereinafter, “Bonadio”) hereby submits its sixth application (this “Application”) for compensation for professional services rendered to the above-captioned reorganized debtor (the “Diocese”) from February 1, 2024 through July 31, 2024 (the “Sixth Compensation Period”), and respectfully states as follows:

1. Bonadio is a New York limited liability partnership of approximately 710 professionals including approximately 330 certified public accountants with an office at 171 Sully’s Trail, Pittsford, New York. The undersigned is a partner of Bonadio and is a certified public accountant.

2. Bonadio submits this Application for allowance of compensation in the amount of \$53,500.00 incurred by Bonadio in the course of providing professional services to the Diocese in this Chapter 11 Case (hereinafter defined) during the Sixth Compensation Period.

**GENERAL BACKGROUND**

3. On September 12, 2019 (the “Petition Date”), the Diocese filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (11 U.S.C. s 101 *et seq.*, the “Bankruptcy Code”) with the United States Bankruptcy Court for the Western District of New York (the “Court”), commencing the Diocese’s chapter 11 case (this “Chapter 11 Case”). The

Diocese continues to manage its remaining assets as a debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On November 27, 2019, this Court entered an order [Docket No. 302] appointing Bonadio as accountants for the Diocese (the “Retention Order”), effective *nunc pro tunc* September 12, 2019. Pursuant to the terms of the Retention Order, Bonadio is to perform certain accounting services for the Diocese relating to the auditing of the Diocese’s financial statements comprising the balance sheet.

5. Pursuant to the Retention Order, Bonadio is to be compensated upon application based on contemporaneous time records and as set forth in the Diocese’s application.

6. On October 2, 2020, the *First Application for Compensation of Bonadio & Co., LLP as Accountants for the Debtor* [Docket No. 783] (the “First Fee Application”) was filed.

7. On November 17, 2020, the Court entered an order granting the First Fee Application [Docket No. 833].

8. On October 8, 2021, the *Second Application for Compensation of Bonadio & Co., LLP as Accountants for the Debtor* [Docket No. 1304] (the “Second Fee Application”) was filed.

9. On December 3, 2021, the Court entered an order granting the Second Fee Application [Docket No. 1352].

10. On September 16, 2022, the *Third Application for Compensation of Bonadio & Co., LLP as Accountants for the Debtor* [Docket No. 1711] (the “Third Fee Application”) was filed.

11. On November 21, 2022, the Court entered an order granting the Third Fee Application [Docket No. 1826].

12. On September 21, 2023, the *Fourth Application for Compensation of Bonadio & Co., LLP as Accountants for the Debtor* [Docket No. 2233] (the “Fourth Fee Application”) was filed.

13. On November 6, 2023, the Court entered an order granting the Fourth Fee Application [Docket No. 2311].

14. On April 1, 2024, the *Fifth Application for Compensation of Bonadio & Co., LLP as Accountants for the Debtor* [Docket No. 2521] (the “Fifth Fee Application”) was filed.

15. On June 3, 2024, the Court entered an order granting the Fifth Fee Application [Docket No. 2643].

16. A copy of Bonadio’s invoice for the professional services rendered to the Diocese during the Sixth Compensation Period, dated August 31, 2024, is annexed hereto and made a part hereof as ***Exhibit A***.

17. All of the services for which compensation is requested by Bonadio were performed for, or on behalf of, the Diocese, and not on behalf of any creditor, examiner, trustee, or any other entity. In addition, Bonadio has not entered into any agreements to fix fees or to share compensation as prohibited by 18 U.S.C. § 155 and 11 U.S.C. § 504.

18. The professional primarily responsible for representing the Diocese in this Chapter 11 Case is Nancy J. Snyder. Ms. Snyder is a certified public accountant with over 39 years of experience providing accounting, auditing, and related services.

19. The services that Bonadio has rendered on behalf of the Diocese have been necessary and beneficial to the Diocese.

20. Bonadio notes that twelve factors are usually reviewed by the Court in calculating the fee due to professionals in bankruptcy cases:

- a. the time and labor required;
- b. the novelty and difficulty of issues;
- c. the skill necessary to perform the services properly;
- d. the preclusion of other employment;
- e. the customary fee;
- f. whether the fee is fixed or contingent;
- g. time limitations imposed by the client or circumstances;
- h. the amounts involved and the results obtained;
- i. the experience, reputation, and ability of the professional;
- j. the undesirability of the case;
- k. the nature of and length of the professional relationship to the client; and
- l. awards in similar cases.

*See Johnson v. Georgia Highway Express, Inc.*, 488 F.2d 714 (5<sup>th</sup> Cir. 1974). Moreover, in awarding fees, courts also consider whether the services rendered were reasonably likely to benefit the debtor's estate at the time they were performed. *See, In re Ames Dep't Stores, Inc.*, 76 F.3d 66, 71 (2d Cir. 1996), *rev'd on other grounds*, *Lamie v. U.S. Trustee*, 540 U.S. 526 (2004). Thus, as one court explained, the Court should focus on what a reasonable professional, in that case an attorney, would have done at the time and not invoke a hindsight analysis:

[I]t is important for a court to maintain "a sense of overall proportion," and not "become enmeshed in meticulous analysis of every detailed facet of the professional representation." It is easy to speculate in retrospect that the work could have been done in less time or with fewer attorneys or with an associate rather than a partner. On the other hand, it is also possible that [the debtor] would not have enjoyed the success it did had its counsel managed matters differently.

*Boston & Maine Corp. v. Moore (In re Boston & Maine Corp.)*, 776 F.2d 2, 10 (1<sup>st</sup> Cir. 1985)

(internal citations omitted).

21. Bonadio respectfully submits that the fair and reasonable value of the services performed by it during the Sixth Compensation Period is at least the requested \$53,500.00.

22. Based upon the foregoing, Bonadio respectfully requests that this Court issue an order granting this Application and allowing Bonadio fees in the amount of \$53,500.00 incurred during the Sixth Compensation Period.

23. Bonadio is not seeking reimbursement of any disbursements incurred during the Sixth Compensation Period.

### **CONCLUSION**

24. Based upon the foregoing, Bonadio respectfully requests that the Court approve compensation to Bonadio in the amount of \$53,500.00 for services rendered during the Sixth Compensation Period.

**WHEREFORE**, Bonadio respectfully prays for the entry of an order:

- (a) approving and allowing fees to Bonadio for services rendered to the Diocese during the Sixth Compensation Period in the amount of \$53,500.00;
- (b) directing that Bonadio be paid the full amount of fees incurred during the Sixth Compensation Period in the amount of \$53,500.00; and
- (c) granting such other and further relief as this Court deems just and proper.

Dated: October 24, 2024  
Rochester, New York

BONADIO & CO, LLP

By:           /s/ Nancy J. Snyder            
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*Accountants for The Diocese of  
Rochester*